



HOUSE BILL 293: Supplementary GREAT Grant Clarifications.

2021-2022 General Assembly

Committee:	House Energy and Public Utilities. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	March 23, 2021
Introduced by:	Reps. Arp, McElraft, Bell, Stevens	Prepared by:	Jennifer McGinnis
Analysis of:	PCS to First Edition H293-CSRIa-3		Committee Counsel

OVERVIEW: *The Proposed Committee Substitute (PCS) for House Bill 293 would clarify use of moneys appropriated under legislation enacted earlier this session for the Growing Rural Economies with Access to Technology Fund.*

The PCS would make a purely technical change to the First Edition to reflect enactment of House Bill 196 as referenced in Section 1 of the bill.

BACKGROUND:

The Growing Rural Economies with Access to Technology (GREAT) program was established in the 2018 Appropriations Act to increase the availability of terrestrially deployed broadband (see [G.S. 143B-1373](#)). Through the program, the Broadband Infrastructure Office (Office) of the Department of Information Technology (DIT) provides grants to broadband providers and cooperatives for projects designed to extend broadband service to unserved areas in economically distressed counties of the State.

Grant applicants must submit an application that provides certain information about the proposed project, and applications are scored by the Office based on certain established criteria. Projects receive higher scores for:

- Utilizing partnerships or affiliations with other entities that will lower costs and facilitate broadband deployment;
- Locating the project in counties with higher numbers of unserved households;
- Providing service to greater numbers of unserved households and businesses;
- Minimizing deployment costs per household; and
- Providing faster connection speeds to end users.

CURRENT LAW:

Section 4.1. of S.L. 2021-1 transferred \$39,000,000 from the General Fund to the State Capital and Infrastructure Fund (SCIF), and then appropriated that amount to the GREAT Fund for the 2020-2021 fiscal year for distribution in a special supplementary grant process authorized in other legislation.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

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\$30,000,000 of the appropriation was designated for distribution in a special supplementary grant process established under other legislations, and the remaining amount was designated to fund supplementary project grants previously awarded. The legislation provided that the funds appropriated would remain available until expended and would not revert.

Section 3.3 of S.L. 2021-3 modified Section 4.1 of 2021-1 to:

- Increase the amount transferred and appropriated from the General Fund to the SCIF from \$39,000,000 to \$45,000,000 for the 2020-2021 fiscal year, and increase the portion of that amount designated for distribution in a special supplementary grant process established under other legislation from \$30,000,000 to \$36,000,000.
- Provide that the remaining funds be designated to fund supplementary project grants previously submitted and ranked for awards (rather than grants previously awarded as provided under S.L. 2021-1).
- Provide that grant awards from monies appropriated by the section must be completed by DIT on or before April 15, 2021.
- Include language to specify that "unserved area" for purpose of grant distribution funded by moneys appropriated under the section would not include any location where federal government funding had been awarded pursuant to the Rural Digital Opportunity Fund specifically to support the deployment or expansion of broadband networks.

BILL ANALYSIS: The PCS would add language to the appropriation made to the GREAT Fund under S.L. 2021-1, as amended by S.L. 2021-3, to clarify that any unawarded funds remaining in the Fund from the moneys appropriated must be used to award grants for broadband projects that were submitted and scored by the Office in accordance with the special supplementary grant process established under other legislation, *but for which appropriated funds were not previously available*.

EFFECTIVE DATE: This bill would be effective when it becomes law.